

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: AUGUST 12, 2013

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #5: LAFCO SC#375 - Running Springs Water District Out-of-Agency Service Agreement for Sewer Service (O-Ongo Inc./Pali Mountain)

INITIATED BY:

Running Springs Water District, on behalf of property owner

RECOMMENDATION:

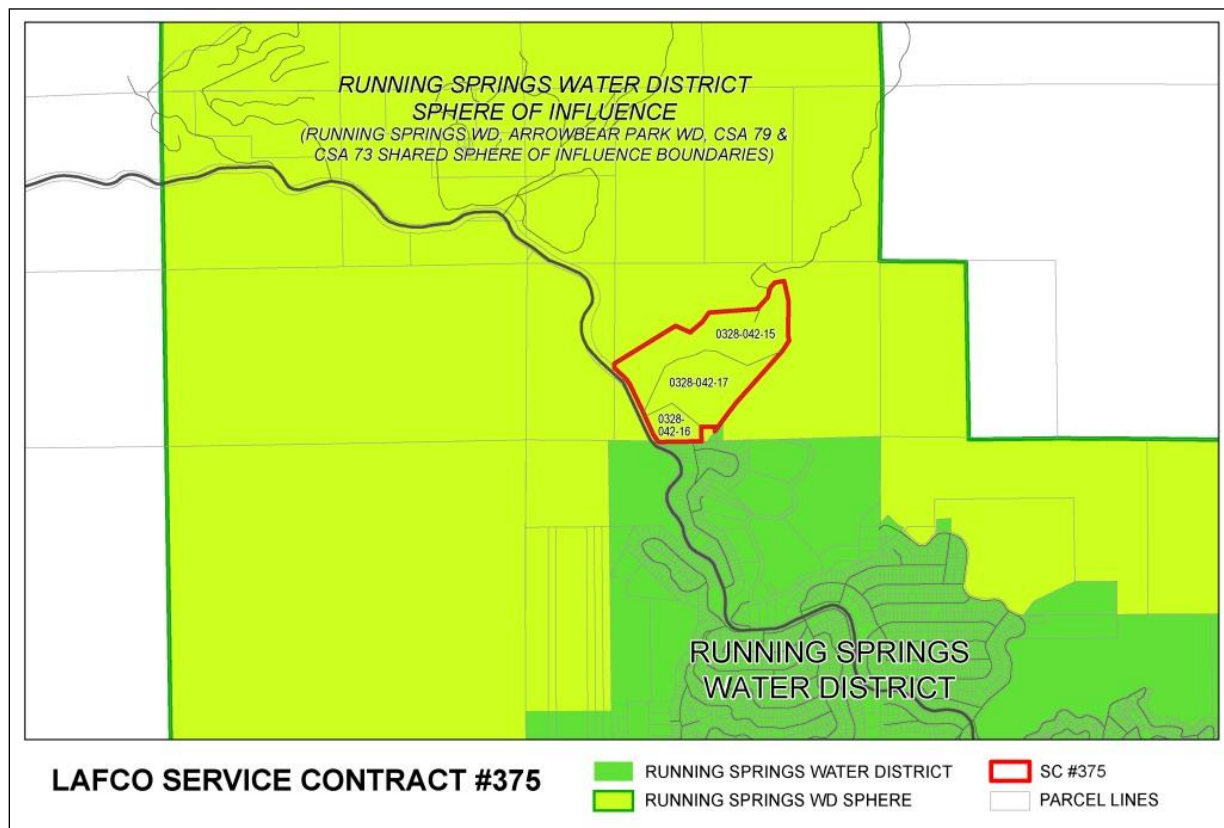
1. For environmental review, take the following actions as lead agency:
 - Certify that the Commission has reviewed and considered the County's environmental assessment and Mitigated Negative Declaration and the Addendum prepared by LAFCO's Environmental Consultant;
 - Determine that the Addendum, together with the County's environmental assessment, are adequate for the Commission's use as a CEQA Lead Agency for its consideration of LAFCO SC#375;
 - Adopt the Addendum as presented by the Commission's Environmental Consultant that provides additional information and environmental assessment to supplement the Mitigated Negative Declaration adopted by the County that addresses the sewer service extension to the proposed project; and,
 - Determine that the Commission does not intend to adopt alternatives or mitigation measures for the proposed project; that all mitigation measures are the responsibility of the County and/or others, not the Commission;
 - Note that this proposal, as a second tier action to the County's Mitigated Negative Declaration, is exempt from Department of Fish and Game fees

because the filing fee was already paid by the County, and direct the Clerk to file a Notice of Determination within five (5) days of this action.

2. Approve SC#375 authorizing the Running Springs Water District to extend sewer service outside its boundaries to the camp facility comprised of three (3) parcels identified as Assessor Parcel Numbers (APNs) 0328-042-15, 0328-042-16 and 0328-042-17; and,
3. Adopt LAFCO Resolution #3177 setting forth the Commission's findings, determinations and approval of the agreement for service outside the Running Springs Water District's boundaries.

BACKGROUND:

The Running Springs Water District (hereinafter the "District") submitted a request for approval of an out-of-agency service agreement that outlines the terms by which it will extend sewer service outside its boundaries. The agreement relates to the Pali Mountain camp facility in Running Springs that includes three (3) parcels, APNs 0328-042-15, 0328-042-16 and 0328-042-17, comprising a total of 73+/- acres, generally located on the east side of Highway 18 (30778 Highway 18), within the District's northwestern sphere of influence (see map below). Attachment #1 also provides a location and vicinity map of the site along with a map outlining the location of the infrastructure to be extended.



At the July 17, 2013 hearing, the Commission continued the consideration of LAFCO SC#375 in order to address the environmental assessment of the sewer service extension to the project site. The project, which is an expansion of the existing camp facility, includes the construction and use of a 29,005 sq. ft. dining facility, 10 cabins each with a floor area of 1,872 sq. ft., a suspended slide at the existing lake, a new 150,000 gallon water tank that will replace the existing 50,000 gallon tank, and a 1,118 sq. ft. office on 73.2 acres (a copy of the Conditions of Approval is included as Attachment #4 to this report). As previously identified, the County approved the project using only subsurface septic systems for its wastewater discharge (see Conditions # 70, 71 & 72 of the Conditions of Approval). However, the Lahontan Regional Water Quality Control Board expressed its concern regarding the use of septic tanks for the project and consequently required that the project either install an onsite wastewater treatment plant or connect to sewer facilities of the District. As a result of this directive, the property owner/developer has opted to connect to the District's sewer system.

Since the County approved the project using subsurface septic systems, the current project that LAFCO is considering is a change from the original proposal. Therefore, in order to address the extension of sewer service to the project site, LAFCO has to evaluate this change in the project before it can make a decision on LAFCO SC#375.

On July 2, 2013, LAFCO staff and its environmental consultant, Tom Dodson of Tom Dodson and Associates, met with the property owner/developer and went over the LAFCO environmental process and the additional documentation needed in order to move forward with this out-of-agency service agreement. Based on the commitments that were made by the owner/developer related to the method on how the sewer line will be installed, which is identified in the letter from the property owner/developer (included as Attachment #2), LAFCO staff, in consultation with Tom Dodson and Associates, made the determination that the Commission can move forward with its consideration of LAFCO SC#375.

Therefore, the District on behalf of the property owner/developer, has requested that the Commission review and approve the extension of sewer service to the project site pursuant to the provisions of Government Code Section 56133. Authorization of this agreement is required before the District can take the final actions to implement the terms of the agreement.

PLAN FOR SERVICE:

The District's application (included as Attachment #3) indicates that the proposed project will require a sewer lift station located within the project area and the installation of a 3-inch HDPE (high-density polyethylene) force main to connect to an 8-inch PVC gravity sewer line (a total of approximately 2,200 linear feet) that connects to the District's existing 8-inch sewer main located in Nob Hill Drive. The property owner/developer will also have to construct a new manhole and remove the District's existing Clean Out #40 in Nob Hill Drive.

In addition, the property owner/developer has committed that no Southern rubber boa, a type of snake that is considered a threatened species by the State of California, will be harmed. This will be accomplished by hand-raking the leaves along the entire sewer alignment to bare ground with the guidance from a qualified biologist before trenching is

done so that the biologist can monitor and ensure that no Southern rubber boa enters the work zone of the sewer alignment, as more fully discussed in the environmental section below.

Pursuant to the Commission's application requirements for service contracts, information has been provided regarding all financial obligations for the extension of service outside the agency's boundaries (refer to pages 2 and 3 of the Agreement, included as part of attachment #3). However, the fees identified in the Agreement have become outdated. Per the District's Rates and Fees for Fiscal Year 2013/14, the project's sewer connection fee is estimated to cost the property owner/developer \$122,459.05.

| Sewer Connection Fee | Unit Cost | EDUs | Total |
|---|------------------|-------------|---------------------|
| Sewer Facilities Capacity Charge <i>based on number of Equivalent Dwelling Units</i> | \$5,579.00/EDU | 21.95 | \$122,459.05 |
| Total Sewer Fees | | | \$122,459.05 |

In addition, the following fees will be charged on a monthly basis:

| Monthly Charges | | | |
|--|--------------------|-------|-------------------------|
| Annual In-Lieu of Taxes Charge <i>This charge will be calculated each fiscal year based on the formula identified in the District's resolution, which will be paid in 12 equal installments</i> | \$1,834.00÷12 | | \$152.83 |
| 1. Monthly Service Charge <i>Including an additional \$2.00 per EDU for its outside District user charge</i> | \$30.85+\$2.00/EDU | 21.95 | \$721.06 |
| 2. Treatment Plant Filtration Project Loan Repayment Fee | \$3.00/EDU | 21.95 | \$65.85 |
| 3. Sewage volume charge per gallon <i>(adjusted annually or from time to time by the Board of Directors)</i> | \$0.000706/gallon | | <i>To be determined</i> |

The property owner/developer will be responsible for hiring a contractor for the connection of the proposed project site to the District's existing sewer system. The costs of all improvements needed to extend the sewer to the proposed development, which includes the sewer lift station, the 3-inch force main, the additional 8-inch gravity sewer line, and the replacement cost of the clean out with the new manhole, and all other construction costs, shall be the responsibility of the property owner/developer.

ENVIRONMENTAL DETERMINATION:

The County prepared an Initial Study and Negative Declaration for the construction and use of a 29,005 sq. ft. dining facility, 10 cabins each with a floor area of 1,872 sq. ft., a suspended slide at the existing lake, a new 150,000 gallon water tank that will replace the existing 50,000 gallon tank, and a 1,118 sq. ft. office for an existing organizational camp

and Adult Conference Center for a maximum of 520 guests and 55 staff members on 73.2 acres.

The project area is considered to be within known habitat for the Southern rubber boa (*Charina umbratica*). To address potential impacts to this threatened species, the property owner/developer has coordinated with the California Department of Fish and Wildlife (CDFW) and has committed to several measures designed to avoid impacts to the Southern rubber boa. These mitigation measures are outlined in the letter submitted to LAFCO by the property owner/developer (Attachment #2 to this report).

As mentioned earlier, the sewer expansion that LAFCO is evaluating is a change in the original proposal that the County approved for the overall camp facility. Since the County did not consider the sewer connection in its approval process, LAFCO is required to evaluate whether this additional facility, which is the sewer line that will be constructed, will have additional environmental impacts. In order to address this additional facility, the owner/developer has also agreed to do a number of things to ensure that no Southern rubber boa will be harmed as outlined in its letter. Since the owner/developer has committed to these measures to protect any species from harm, there will be no significant adverse impacts related to the project. Therefore, LAFCO can move forward with an Addendum to approve the sewer line connection as proposed for LAFCO SC#375.

In light of the commitments made, the Commission's Environmental Consultant, Tom Dodson and Associates, has prepared an Addendum to the County's environmental assessment that addresses extending sewer service to the project. Mr. Dodson has determined that if the Commission approves LAFCO SC#375, the Addendum, together with the County's environmental assessment, are adequate for the Commission's use as a lead agency under CEQA.

Mr. Dodson has indicated that the necessary environmental actions to be taken by the Commission are as follows:

- a) Certify that the Commission, its staff and its Environmental Consultant, have independently reviewed and considered the County's environmental assessment and Negative Declaration, including the Addendum prepared by LAFCO's Environmental Consultant;
- b) Determine that the Addendum, together with the County's environmental assessment, are adequate for the Commission's use as a CEQA Lead Agency for its consideration of LAFCO SC#375;
- c) Adopt the Addendum as presented by the Commission's Environmental Consultant that addresses the sewer service extension to the project;
- d) Determine that the Commission does not intend to adopt alternatives or mitigation measures for the project; that the mitigation measures identified in the County's environmental documents are the responsibility of the County and/or others, not the Commission; and,

- e) Direct the Clerk to file the Notice of Determination within five (5) days and find that no further Department of Fish and Game filing fees are required by the Commission's approval since the County's has paid said fees for its environmental determination.

CONCLUSION:

Staff has reviewed this request for the provision of sewer service by the Running Springs Water District outside its boundaries against the criteria established by Commission policy and Government Code Section 56133. The parcels to be served are within the sphere of influence assigned the Running Springs Water District and are anticipated to become a part of the District sometime in the future. The camp facility expansion proposal has been required to connect to sewer service, which is only available from the District. Staff supports the District's request for authorization to provide sewer service to the proposed project since its facilities are adjacent to the anticipated development, and there is no other existing entity available to provide this service within the area.

FINDINGS:

1. The project area encompasses three (3) adjacent parcels (APNs 0328-042-15, 0328-042-16 and 0328-042-17) that make up a camp facility commonly known as Pali Mountain, which currently has a County-approved project for the expansion of the camp. All three contiguous parcels are within the sphere of influence assigned the Running Springs Water District and are anticipated to become a part of that District sometime in the future. The application requests authorization to receive sewer service from the District.

The sewer connection is a requirement that was imposed by the Lahontan Regional Water Quality Control Board for the project. Therefore, approval of the District's request for authorization to provide sewer service is necessary in order to satisfy this requirement.

2. The Agreement for the Provision of Outside Sewer Service to O-Ongo Inc./Pali Mountain being considered is for the provision of service by the Running Springs Water District to APNs 0328-042-15, 0328-042-16 and 0328-042-17, comprising a total of 73+/- acres, generally located on the east side of Highway 18 (30778 Highway 18), within the District's northwestern sphere of influence. This contract will remain in force in perpetuity for the proposed development or until such time as the area is annexed. Approval of this application will allow the property owner and the District to proceed in executing this contract for the extension of sewer service.
3. The fees charged this project by the Running Springs Water District in order to receive sewer service are identified as totaling \$122,459.05 including additional fees that will be charged on a monthly basis. Payment of these fees is required prior to connection to the District's sewer facilities. In addition, the property owner shall bear all costs to complete improvements needed to extend the sewer service to the proposed project.

4. In November 2011 and subsequently in September 2012, acting as the CEQA lead agency, the County prepared an environmental assessment for the construction and use of a 29,005 sq. ft. dining facility, 10 cabins each with a floor area of 1,872 sq. ft., a suspended slide at the existing lake, a new 150,000 gallon water tank that will replace the existing 50,000 gallon tank, and a 1,118 sq. ft. office for an existing organizational camp and Adult Conference Center for a maximum of 520 guests and 55 staff members on 73.2 acres. The County's assessment indicates that the project would not have a significant effect on the environment through its development under the Conditions of Approval that were approved for the proposed project.

In addition, the Commission's Environmental Consultant, Tom Dodson and Associates, prepared an Addendum to the County's environmental assessment to address extending sewer service to the project, a condition that was not a part of the original proposal approved by the County.

Mr. Dodson has reviewed the County's Initial Study and Mitigated Negative Declaration issued for the proposed project. Mr. Dodson recommends that, if the Commission approves LAFCO SC#375, the Addendum together with the County's environmental assessment, are adequate for the Commission's use as lead agency. The Commission will not be adopting alternatives or mitigation measures for the expansion proposed for the existing camp facility, as these are the responsibility of the County and/or others. A copy of Mr. Dodson's response and recommendation regarding the Commission's review and necessary actions to be taken, the Addendum, and the County's environmental documents and Conditions of Approval for the project are included as Attachment #5 to this report.

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Attachments:

1. [Vicinity Map and Map of the Contract Area](#)
2. [Letter from O-Onco Inc. \(Pali Mountain\) Dated July 22, 2013](#)
3. [Running Springs Water District's Application and Contract](#)
4. [Conditions of Approval for the Construction and Use of a 29,005 Sq. Ft. Dining Facility, 10 Cabins Each with a Floor Area of 1,872 Sq. Ft., a Suspended Slide at the Existing Lake, a New 150,000 Gallon Water Tank that will Replace the Existing 50,000 Gallon Tank, and a 1,118 Sq. Ft. Office for an Existing Organizational Camp and Adult Conference Center for a Maximum of 520 Guests and 55 Staff Members on 73.2 Acres.](#)
5. Tom Dodson and Associates' Response and Addendum Including the County's Environmental Documents for the Project
6. Draft Resolution #3177